

**VIA EMAIL**

**July 22, 2018**

**George Runner, SBE 1<sup>st</sup> District  
Sacramento Office  
500 Capitol Mall, suite 1750  
Sacramento, Ca. 95814**

**Fiona Ma, SBE 2<sup>nd</sup> District  
Sacramento Office  
1201 K Street, Suite 710  
Sacramento, Ca. 95814**

**Jerome Horton, SBE 3<sup>rd</sup> District  
Sacramento Office  
450 N. Street, MIC: 72  
Sacramento, Ca. 9514**

**Diane L. Harkey, SBE 4<sup>th</sup> District  
Sacramento, CA. 95814  
400 Capitol Mall, Suite 2580  
Sacramento, Ca. 95814**

**Betty T. Yee, California State Controller  
Sacramento Office  
300 Capitol Mall, Suite 1850  
Sacramento, Ca. 95814**

**Dean Kinee, SBE Executive Director  
450 N Street, MIC: 73  
Sacramento, Ca. 95814**

Re: Items L1 on SBE Agenda for July 24, 2018

Dear State Board of Equalization Members, Controller Yee and Executive Director Kinee:

In my capacity as Fresno County Assessor-Recorder, I write in strong opposition to the above Agenda Items.

Most of us recently filed our federal and state tax returns, our signatures declaring, under penalties of perjury, all information to be accurate and in good faith. We complete this process automatically, without thought of potential punishable liability. Should a challenge arise from either party, a system is in place to review and resolve any dispute.

The same is true for our Fresno County Assessor's Office. When an assessment is contested, we employ non-discriminatory discovery tools, to obtain actual and evidence based, information, which will either prove or disprove our assessment.

Many commercial taxpayers employ tax agents, members of CATA (California Alliance of Taxpayers Advocates) to represent them. Tax agents are seeking to pare the process by most any means that will give their client a lower taxable value than would otherwise be justified by discoverable facts. In addition, these rules make shorter work of their time investment to get to that conclusion at the expense of increased workloads for Assessors and AAB, in other words they want to maximize the return on time invested. Retrieving and providing support documentation for our valuation is cumbersome, no doubt. While it would be much easier for challengers to have this process whittled down by changing the rules and requirements, this expedited process would result in the AAB making less informed decisions.

Are we really considering compromising our effectiveness and staff time by acquiescing to the pressure of artful dodgers?

The proposed changes to Rule 305.1(e) will eliminate a taxpayer's obligation to provide truthful responses to Assessors' questions in a sworn statement regarding taxable property. It troubles me that a taxpayer's signature assuring truthful, sworn statements proves intimidating enough to wish it eliminated. Should that happen, do we then just hope that false statements and under-reporting taxable property does not become rampant?

The California Legislature granted discovery tools to Assessors to properly identify and assess all taxable property in the state. To ease the responsibility of the taxpayer to provide your Assessors with essential material, ties a hand behind our backs. To allow that taxpayer and/or Tax Agent to make any claim about holdings and usage, without assuring its truthfulness through a declaration under penalties of perjury, puts our other hand out of function, as well.

Finally, the changes presented for your consideration will undermine our ability to collect information essential to the proper discharge of our constitutional duties, and will facilitate the falsification and under-reporting of taxable property. This is BAD news for our children and families.

I trust that you will not approve any changes to the property tax system that conflict with the Revenue and Taxation Code and limit our ability to work for the common good.

Respectfully submitted,

**Paul Dictos, CPA**

**Fresno County Assessor-Recorder**

Cc: Chuck Leonhardt, CAA President, Assessor, Plumas County

([cleonhardt@countyofplumas.com](mailto:cleonhardt@countyofplumas.com));

Larry Stone, Assessor, Santa Clara County ([lstone96@hotmail.com](mailto:lstone96@hotmail.com));

Joann Richmond-Smith, BOE Board Proceedings, ([Joann.Richmond-smith@boe.ca.gov](mailto:Joann.Richmond-smith@boe.ca.gov))